

AMENDED IN SENATE APRIL 21, 2010

**SENATE BILL**

**No. 1236**

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**Introduced by Senator Alquist**

February 19, 2010

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An act to add and repeal Section 14133.55 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 1236, as amended, Alquist. Medi-Cal: utilization controls.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions.

Existing law establishes a program in Alameda County in which utilization controls shall not be required when, pursuant to federal law under the Medicare Program, a county hospital based utilization review committee has been established to determine the level of authorization for payment under Medi-Cal and a utilization plan has been filed with the department and approved by it.

This bill would establish a program, whereby state utilization controls shall not be required for inpatient hospitalization at designated public hospitals, as defined, ~~in Santa Clara County~~. The bill would require the nonfederal share of expenditures for inpatient hospitalization at designated public hospitals ~~in Santa Clara County~~ submitted to the federal Centers for Medicare and Medicaid Services for purposes of claiming federal financial participation to be comprised of only those funds that are paid by ~~Santa Clara County~~ *designated public hospitals*

and certified by ~~the county~~ *counties* in accordance with applicable state and federal requirements.

This bill would provide that the above-described provisions shall become inoperative on the date the Director of Health Care Services executes a declaration specifying that the nonfederal share of expenditures for inpatient hospitalization at designated public hospitals ~~in Santa Clara County~~ used for purposes of claiming federal financial participation is not comprised of funds that are paid by ~~Santa Clara County~~ *designated public hospitals* and certified by ~~the county~~ *counties* in accordance with applicable state and federal requirements.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 14133.55 is added to the Welfare and  
2 Institutions Code, to read:

3 14133.55. (a) There shall be established a program whereby  
4 state utilization controls shall not be required for inpatient  
5 hospitalization at designated public hospitals, as defined in  
6 subdivision (d) of Section 14166.1, ~~in Santa Clara County~~.

7 (b) The nonfederal share of expenditures for inpatient  
8 hospitalization at designated public hospitals ~~in Santa Clara County~~  
9 submitted to the federal Centers for Medicare and Medicaid  
10 Services for purposes of claiming federal financial participation  
11 shall be comprised of only those funds that are paid by ~~Santa Clara~~  
12 ~~County~~ *designated public hospitals* and certified by ~~the county~~  
13 *counties* in accordance with applicable state and federal  
14 requirements.

15 (c) This section shall become inoperative on the date the Director  
16 of Health Care Services executes a declaration specifying that the  
17 nonfederal share of expenditures for inpatient hospitalization at  
18 designated public hospitals ~~in Santa Clara County~~ used for purposes  
19 of claiming federal financial participation is not comprised of funds  
20 that are paid by ~~Santa Clara County~~ *designated public hospitals*  
21 and certified by ~~the county~~ *counties* in accordance with applicable  
22 state and federal requirements, and as of that date is repealed.

23 (d) Notwithstanding Chapter 3.5 (commencing with Section  
24 11340) of Part 1 of Division 3 of Title 2 of the Government Code,  
25 the department shall implement this section by means of policy

- 1 letters or similar instructions, without taking further regulatory
- 2 action.

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